

OCT 2 1997

DEPT. OF INSURANCE  
BY CB

STATE OF ARIZONA  
DEPARTMENT OF INSURANCE

In the Matter of:

ELLIOT T. CROSBY,

Respondent.

)  
) Docket No. 97A-114-INS  
)

)  
) **CONSENT ORDER**  
)  
)

The Arizona Department of Insurance ("Department") has received evidence that Respondent Elliot T. Crosby ("Respondent") has violated the provisions of Title 20, Arizona Revised Statutes. Respondent wishes to resolve this matter without the commencement of formal proceedings, and admits the following Findings of Fact are true and consents to the entry of the following Conclusions of Law and Order.

**FINDINGS OF FACT**

1. Elliot T. Crosby, at all material times, held an Arizona license to transact business as a life and disability insurance agent, license number 15477. The license held by Respondent expires effective August 31, 1999.

2. Respondent, at all material times, employed Terry Fish. Fish is not currently, nor was he at any material time, licensed to transact insurance business in the State of Arizona.

3. According to Respondent, Fish's primary responsibilities were to organize, advertise, promote, and present seminars on living trusts and estate planning with Respondent. Respondent also allowed Fish to deliver annuities to clients and obtain their signatures on pertinent annuity documents.

4. Fish advised John and Verona Montgomery to purchase Investors Insurance Corporation ("Investors") flexible premium retirement annuities. Fish received the Montgomerys applications for

flexible premium retirement annuities, numbers 3005036, 3005080, 3005556, 3005557, and 3005665, between January 18, 1995, and May 19, 1995. Fish was not an agent of Investors.

5. Respondent signed the applications as the selling agent and forwarded the applications to Investors.

6. Respondent's only contact with the Montgomerys prior to their purchase of the annuities was at a living trust and annuity seminar he presented with Fish. Fish personally visited the Montgomerys at their home, Fish made an additional presentation to them about the annuities, Fish filled out the applications and returned them for Respondent's signature and Fish delivered the policies.

7. Respondent shared the commissions paid on the five annuities with Fish.

#### CONCLUSIONS OF LAW

1. The Director has jurisdiction over this matter.

2. Respondent's conduct in sharing his commission or other compensation received on account of transactions under his license with Terry Fish constitutes a violation of A.R.S. §20-311(B).

3. Respondent's conduct constitutes the conduct of affairs under the license showing Respondent to be incompetent or a source of injury or loss to, or repeated complaint by, the public or any insurer, within the meaning of A.R.S. §20-316(A)(7).

4. Grounds exist for the Director to suspend, revoke, or refuse to renew the insurance license held by Respondent or to order Respondent to pay civil penalties, or both, pursuant to A.R.S. §20-316(A) and (C).

1 **ORDER**

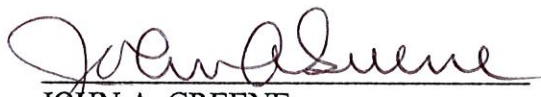
2 **IT IS ORDERED THAT:**

3 1. Respondent's license shall be suspended for a period of fifteen (15) days to commence  
4 upon execution of this Order by the Director.

5 2. Respondent shall pay a civil penalty in the amount of one thousand (\$1000.00) dollars to  
6 the Director payable upon entry of this Order, for remission to the State Treasurer for deposit in the State  
7 General Fund.

8 3. Respondent shall cease and desist from the practice of compensating or sharing  
9 commissions or other compensation received on account of transactions under the license with any  
10 person not also licensed as an agent, broker or solicitor.

11 DATED AND EFFECTIVE this 2 day of October, 1997.

12  
13   
14 JOHN A. GREENE  
Director of Insurance

15 **CONSENT TO ORDER**

16 1. Respondent has reviewed the foregoing Findings of Fact, Conclusions of Law and Order.

17 2. Respondent admits the jurisdiction of the Director of Insurance, State of Arizona, and  
18 admits the foregoing Findings of Fact and consents to the entry of the foregoing Conclusions of Law and  
19 Order.

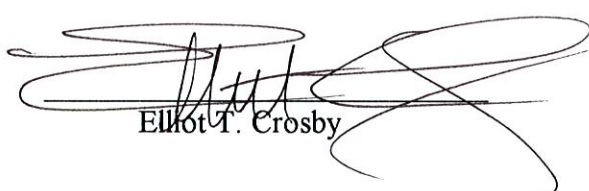
20 3. Respondent is aware of his right to notice and a hearing at which he may be represented  
21 by counsel, present evidence, and cross-examiner witnesses. Respondent irrevocably waives his right to  
22 such notice and hearing and to any court appeals relating to this Consent Order.  
23



1           4.       Respondent states that no promise of any kind or nature whatsoever, except as expressly  
2 contained in this Consent Order, was made to him to induce him to enter into this Consent Order and that  
3 he has entered into this Consent Order voluntarily.

4           5.       Respondent acknowledges that the acceptance of this Consent Order by the Director is  
5 solely to settle this matter against him and does not preclude any other agency, officer or subdivision of  
6 this state from instituting civil or criminal proceedings as may be appropriate now or in the future.

7  
8       September 29 1997  
9       DATE

  
Elliot T. Crosby

10       COPY of the foregoing mailed/delivered  
11 this 2nd day of October, 1997, to:

12       Elliot T. Crosby  
13       1704 N. Harris  
14       Mesa, Arizona 85203

15       Charles R. Cohen, Deputy Director  
16       John Gagne, Assistant Director  
17       Maureen Catalioto, Licensing Supervisor  
18       Arizona Department of Insurance  
19       2910 N. 44th Street, Suite 210  
20       Phoenix, Arizona 85018

21       Investors Insurance Company  
22       P.O. Box 56050  
23       Jacksonville, Florida 32241-6050

24       USG Annuity & Life Company  
25       P.O. Box 617  
26       Des Moines, Iowa 50303-0617

27       Financial Benefit Life Insurance Co.  
28       P.O. Box 3348  
29       Boca Raton, Florida 33427-3348

Beneficial Standard Life Insurance Co.  
P.O. Box 1909  
Carmel, Indiana 46032

  
Curvey Walters Burton